

March 19, 2012

Senator Roberts: Health Care Isn't Free; Taxpayers Pay for It

We Must Repeal and Replace the New Health Care Law

WASHINGTON, DC – In advance of the two year anniversary of the new health care law, U.S. Senator Pat Roberts (R-Kan.) today said health care costs have gone up for patients and the taxpayer and called on his colleagues to repeal and replace the new health care law. Senator Roberts made the remarks as part of a colloquy with Senators Ron Johnson (R-Wis.), John Boozman (R-Ark.) and Jeff Sessions (R-Ala.), examining the high cost of care and its effect on job growth in the struggling U.S. economy.

March 23, 2012 is the second anniversary of the Patient and Providers Affordable Care Act (PPACA) becoming law. Sen. Roberts, who voted against the unpopular law, is a member of the Senate Committee on Health, Education, Labor and Pensions and a member of the Senate Committee on Finance, the key committees with jurisdiction on health care in the U.S. Senate.

You can see video of Sen. Roberts' remarks [here](#).

The following is text of his remarks on the Senate floor as prepared for delivery:

"I come to the floor today to discuss broken promises.

"Ah, the words that come back to bite you.

"Remember the famous statement prior to passage of the health care reform law: 'If you like your health care plan, you can keep it'?

"Whoops! Give President Obama credit; he doubtlessly believed that promise when he said it. However, I didn't and said so.

"*Why?* Employers and health care providers told me that when the majority of the provisions of the health care reform law would take effect, it would be more affordable for an employer to simply stop offering their employees coverage and pay a penalty rather than face the predictable increase in premiums and continuing to offer coverage.

"Now, these predictions have turned into facts. A study released by McKinsey & Co., a consulting company, predicts large numbers of workers will be shifted into the health exchanges in 2014. That's a shift folks should be worried about.

"Today, literally thousands of regulations and waivers are pouring out of the Department of Health and Human Services. In fact, to date, there have been over 12,307 pages of additional regulations to restrict personal freedom and micromanage the private market.

"And, to make matters worse, there is the predictable worry that the 'exchanges' would be better described as something similar to Medicaid HMO's -- threatening access and choice of doctors, not to mention the rationing regime that will be the marching order of the day.

"At the time the President made his promise, the Congressional Budget Office estimated that only about seven percent of employees covered by employer-sponsored insurance would make the switch, or be forced to switch, to taxpayer subsidized exchanges in 2014.

"Now, study after study is released that finds the health care reform law will cause many or even most employers to quit offering their current health insurance.

"In a survey by benefits consultants at Lockton, when asked about the cost of notifying employees of changes required by or resulting from the health care reform law, firms said that each notification will cost \$1-3 per employee. This would potentially raise costs by tens of thousands of dollars or more for some firms; and nearly one in five firms is considering terminating coverage outright thanks to the law.

"And, with each study, the numbers go up. The McKinsey survey found that 45 to 50 percent of employers say they 'will definitely or probably' pursue alternatives to their existing health care plans. Even more alarming, some 30 percent of employers will simply stop offering any coverage!

"A PricewaterhouseCoopers study found nearly half of all employers indicated they were likely to change employee medical coverage as a result of the administration's plan.

"Towers Watson's annual survey of retiree health coverage found that nearly three in five employers who offer coverage to retirees under age 65 are assessing new alternatives in light of the law.

"At the time, Speaker Pelosi famously said we had to pass the bill to find out what's in it. Well, we've read it, and my concerns which I voiced throughout the very limited debate remain the same: the health care reform law is bad for Americans.

"The numbers tell the tale: 1,722 waivers from the health care reform law covering over 4 million people. Not to mention 54 percent of union members are waived from compliance.

"Bottom line? After 2014, employers will either meet the burdensome requirements or decide to stop providing coverage for their employees.

"Contrary to this administration's seeming belief, there is no such thing as free health care. Someone pays. And, in this case, American taxpayers will be forced to foot the bill for workers whose employer sponsored coverage has been dropped due to the health care reform law.

"The administration attempted to defend the IPAB and stated, '[T]he claims that the board will ration care are simply false.'

"At the time I repeated my concerns over and over about the health care reform law's potential to ration care. I made speech after speech about the four rationers in the health care bill:

"The CMS Innovation Center; The new authorities granted to the U.S. Preventive Services Task Force; The Patient Centered Outcomes Research Institute; And, finally, IPAB.

"At the time the American public was told over and over that these provisions of the health care reform law would not result in rationing of care, loss of access, or reduced quality.

"But the Medicare actuary – and many others – have noted that the kind of payment reductions contemplated by IPAB amount to *de facto* rationing by reducing access to care. The actuary has stated that the payment reductions in the law could 'jeopardize access to care for beneficiaries.' He also predicted the IPAB reductions in particular would be 'difficult to achieve in practice,' because of the access-related harm to seniors that would result.

"The list of broken promises in this law is growing. As we keep reading the health care reform law and the administration implements the bill, this list will get as long as Pinocchio's nose. We should all be concerned about the broken promises that continue to beat like a drum.

"I quote: "There's absolutely no rationing in this bill—that is just scare talk."